



Rule Up For Discussion and Possible Filing

Proposed Amendment to

WAC 230-30-072

Punch board and pull-tab inventory control –
Retention requirements – Audit adjustments.

ITEM 15 (a) on the May 14, 2004, Commission Meeting Agenda.	Statutory Authority 9.46.070
Who proposed the rule change?	
Bob Tull, on behalf of ZDI Gaming, Inc.	
Why is this rule change needed?	
<p>A Petition for Rule Change has been submitted for the Commission's consideration from Bob Tull, on behalf of ZDI Gaming, Inc. The petitioner is requesting an amendment to WAC 230-30-072, which sets pull-tab inventory controls and retention requirements. The petitioner's only change is to amend retention requirements to include point of sale printing of pull-tabs. Currently, there is no authorization for point of sale printing of tickets. Therefore, we could not enforce the language proposed by the petitioner.</p> <p>In addition, the language does not accomplish what we believe the petitioner intended. Based on the documentation submitted with the petition, staff believe the petitioner is requesting the ability to print paper pull-tabs within a machine at an operator's premises, rather than at a manufacturer's factory. Both winning and losing pull-tabs would be printed on site, after the pull-tab is purchased. All tickets for a game would be loaded on a Compact Disc (CD) and each pull-tab would be printed from the CD after it is purchased. The petitioner notes the system offers better auditing functions and reduces wasted paper by not printing tickets that aren't purchased (unpurchased tickets that are left over after a game is pulled from play).</p> <p>Based on the issues raised above, staff recommends that the Commission deny the petition. Furthermore, in order to consider point of sale printing of pull-tabs, several other rules changes would be needed. For example, rules related to the manufacturing process would need to be amended.</p> <p><u>Attached:</u> Petition for Rule Change and proposed amendment to WAC 230-30-072. Letter dated May 1, 2004, to Mr. Tull notifying him of the May Commission meeting.</p>	
Statements against the proposed rule change.	
None at this time.	
Which licensees will be directly impacted?	
Pull-tab manufacturers, distributors and operators.	
What are the potential impacts to the agency?	
The proposed amendment is unclear and would create regulatory problems.	
Staff recommendation.	
Deny the Petition.	